State of California

Employment Training Panel

Training Proposal for:

Ixia

Agreement Number: ET09-0256

Panel Meeting of: **October 17, 2008**

ETP Regional Office: **San Francisco Bay Area**   Analyst: R. Jackson

PROJECT PROFILE

Contract
Type: Priority/Retrainee

Industry
Sector(s):   Manufacturing

High-Tech

Counties
Served: Santa Clara & Los Angeles County

Repeat
Contractor: ☐ Yes   ☒ No

Union(s):   ☐ Yes   ☒ No

Priority
Industry: ☒ Yes   ☐ No

No. Employees in CA: 391

No. Employees Worldwide: 800

Turnover Rate %	Manager/ Supervisor %
19%	4%

FUNDING DETAIL

Program Costs	Substantial Contribution	Total ETP Funding		In-Kind Contribution
$399,600	$0	$399,600		$600,000

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Average No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Priority/Retrainee	Business Skills, Computer Skills, Continuous Improvement, Manufacturing Skills	300	24-200	0-72	$1,332	$14.02
				Weighted Avg: 74			

Minimum Wage by County: $14.02 Santa Clara and Los Angeles counties.

Health Benefits: ☒ Yes ☐ No   This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☐ Yes ☒ No

Although employer provides health benefits they are not being used to meet Post-Retention Wage**.**

Other Benefits: Stock Options, 401k, tuition reimbursement, vacation, personal time, short/long term disability, life and AD&D insurance.

Wage Range by Occupation	
Occupation Title	Wage Range
Corporate Support Staff	
Engineering Staff	
Information Technology Staff	
Manufacturing Staff	
Sales Staff	
Managers	

INTRODUCTION

In this proposal, Ixia seeks funding for retraining as outlined below:

Ixia is a computer technology corporation headquartered in Calabasas. Ixia is proposing to train frontline workers in Calabasas where their research and development is conducted. Additionally, the company intends to train employees at their Santa Clara office where sales, product support, and marketing takes place. Ixia develops and manufactures specialized testing equipment known within the industry as Internet Protocol (IP) Service Verification Platforms. Ixia also manufactures cords and develops software.

The products and services offered by Ixia are available to diverse industries that are utilizing voice, video, network capability, and data services. The testing systems made by Ixia validate performance and identify problems with IP services. The company's test systems are used by network, telephone equipment, and semiconductor manufacturers including: Intel, Nokia, AT&T, and Cisco Systems.

Ixia representatives report the company faces national and international competition as well as industry pressures driven by rapid technological innovations. To remain competitive, Ixia is proposing a training plan that will introduce new skills for frontline workers to support innovation and greater collaboration at its Calabasas and Santa Clara locations.

Ixia is a priority industry manufacturer eligible for funding under the out-of-state competition provisions outlined in Title 22, California Code of Regulations, Section 4416 (i).

PROJECT DETAILS

Ixia is undergoing several changes as a result of company priorities to develop a new technology based product called IX Yukon. The development of new remote testing services also presents the need for training on new processes.

Ixia is committed to establishing a formalized training program so its long-term goal of becoming a high performance workplace will be accomplished. The company is shifting away from an ad hoc training schedule and adopting a more formalized training plan that is broader in scope, more universal in regards to populations receiving training, and longer term in structure to keep pace with new technological developments in the field.

The company plans to expand existing services that have a diagnostic emphasis by adding a new service; *Solutions for IP Based Infrastructures Service*. This new service requires Ixia salespeople to step beyond their traditional scope of problem assessment to assist customers by offering solution based services.

In order to meet the initiatives described above, Ixia intends to provide each trainee with between 24 to 200 hours of classroom/laboratory and CBT training from among the following areas:

Business Skills Advanced communications skills will be offered primarily to corporate support staff, sales staff and managers. This training will also be open company-wide to supplement training in presentations, customer service, and sales to assist Ixia with marketing new services including *Solutions for IP Based Infrastructures Service*.

Computer Skills Computer skills will be provided to employees from engineering, information technology, and management staff.   Training will cover trouble-shooting and software development/programming.   New computer skills are needed to allow for the successful deployment of remote diagnosis; are necessary for critical interactions during the delivery of services; and for the essential development of the tools used in testing. While base knowledge skills are helpful, the constantly changing environment requires more extensive computer skills training in order for expertise to remain relevant.

Continuous Improvement Skills Employees from across the company's entire workforce will receive training in project management, problem solving, leadership, team building, and technology innovation skills. These skills are offered to encourage employee growth and to introduce possible promotional pathways into management careers. This training reinforces Ixia's goals to provide the highest performance reliability and testing products possible. This training is also consistent with the company's long-term goal of transitioning into a high performance workplace.

Manufacturing Skills Manufacturing skills will be offered primarily to manufacturing and engineering staff to develop or expand skills in inventory control, new product development,

product manufacturing and products operation. Staff from other areas of the company may also attend training in manufacturing skills where it may be relevant to their job performance. This training is considered by Ixia to be central to remaining competitive and allowing the workforce to not only keep pace, but to continue to thrive on technological frontiers.

Commitment to Training

Ixia represents ETP-funded training will not displace the company's ongoing investment in the training of its workers. Indeed, Ixia anticipates that the opportunity for enhanced training made possible by ETP funds will encourage an ongoing financial commitment in this area.

Ixia's training program was informal prior to this proposal with the exception of ongoing training including: basic job skills, new employee orientation, new manager orientation, anti-harassment, diversity, basic computer skills, and basic safety training. The company expects to invest approximately $1,250,000 in training for its California operations in 2008. Ixia represents that safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

RECOMMENDATION

For the reasons set forth above, staff recommends approval of this proposal.

DEVELOPMENT SERVICES

The company retained Training Funding Partners in Tustin to assist with development of this proposal for a flat fee of $12,500.

ADMINISTRATIVE SERVICES

The company also will retain Training Funding Partners to perform administrative services in connection with this proposal for a fee not to exceed 9% of payment earned.

TRAINING VENDORS

To Be Determined

<u>Exhibit B: Menu Curriculum</u>

<u>Class/Lab Hours</u>
24-200

BUSINESS SKILLS
- Advanced Presentation Skills
- Communications Skills
- Customer Service Skills
- New Product Sales Skills
- Solution Based Sales Skills

COMPUTER SKILLS
- Debugging Skills
- Evaluating Design Skills
- New Products Architecture
- Object Oriented Design Skills
- Software Functional Specifications
- AutoCad Programming
- Code Reviewing Techniques
- Language/Programming Skills C++, Linux, Cognos

CONTINUOUS IMPROVEMENT SKILLS
- Project Management Skills
- Problem Solving Skills
- Leadership Skills
- Team Building
- Technology Innovation Skills

MANUFACTURING SKILLS
- Inventory Control Skills
- New Product Development Skills
- Product Manufacturing Skills
- Products Operation Skills

CBT Hours

0-72

BUSINESS SKILLS
- Communications Skills (4)
- New Product Sales Skills (4)
- Solution Based Sales Skills (8)

COMPUTER SKILLS
- Code Refactoring (3)
- Debugging Skills (7)
- Evaluating Design Skills (8)
- New Products Architecture (4)
- Object Oriented Design (7)
- Software Functional Specifications (7)
- C++ Programming (4)
- C# Programming (8)

CONTINUOUS IMPROVEMENT SKILLS
- Project Management Skills (8)